

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0265-03  
Bill No.: Perfected HCS for HB 0302 and 38  
Subject: Alcohol, Crimes and Punishment, Revenue Department  
Type: Original  
Date: February 13, 2001

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Highway Funds	(\$6,582)	\$55,025	\$58,442
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$6,582)</b>	<b>\$55,025</b>	<b>\$58,442</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Cities	\$13,973	\$27,371	\$28,465
Counties	\$9,315	\$18,248	\$18,976
All	(0 to Unknown)	(0 to Unknown)	(0 to Unknown)
<b>Local Government</b>	<b>\$23,288 to (Unknown)</b>	<b>\$45,619 to (Unknown)</b>	<b>\$47,441 to (Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 8 pages.

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## **FISCAL ANALYSIS**

### **ASSUMPTIONS**

Officials from the **Office of State Courts Administrator**, the **Department of Mental Health**, and the **Missouri Highway Patrol**, in response to a prior version of this proposal, assume no impact to their agencies.

Officials from the **Department of Health, Office of Administration, Division of Budget and Planning**, and the **Office of the Attorney General**, in response to a similar proposal, assume no impact to their agencies.

Officials of the **State Public Defender (SPD)** , in response to a similar proposal, assume that existing staff could provide representation for those 50 - 75 cases arising where indigent persons were charged with “driving while intoxicated at .08%.” However, passage of more than one similar bill would require the State Public Defender System to request increased appropriations to cover the cumulative cost of representing the indigent accused.

In response to a similar proposal, officials of the **Office of Prosecution Services** assumed this proposal would have no fiscal impact to their agency.

Officials from the **Department of Revenue (DOR)**, in response to a prior version of this proposal, assume:

This proposal lowers the blood alcohol content threshold for driving while intoxicated, driving with excessive blood alcohol content, and administrative alcohol actions to .08%. Lowering the minimum excessive alcohol threshold will result in additional arrests for driving while intoxicated and subsequently will result in additional license suspension documentation to be sent to the Driver and Vehicle Services Bureau (formerly known as the Drivers License Bureau).

### **COSTS**

#### **Driver and Vehicle Services Bureau**

While the long term intended result of this legislation will reduce the number of alcohol related offenses through stricter driver’s license sanctions, the immediate impact will result in increased arrests reported to the Driver and Vehicle Services Bureau.

The Driver and Vehicle Services Bureau assumes that in the short term (3 to 5 years), this legislation will increase the number of administrative alcohol arrests pursuant to section 302.500 RSMo, by 16.7%. The Driver and Vehicle Services Bureau also assumes the same increase (16.7%) on alcohol related convictions.

ASSUMPTIONS - continued

These increases will result in the following increased workloads in the Driver and Vehicle Services Bureau:

<u>Work Process</u>	<u>Volume of Increase</u>
Administrative Alcohol Arrest Documentation =	3,826
Alcohol Related Convictions =	2,406
Notices of Suspension/Revocation =	6,232
Reinstatement Notices =	4,241
Correspondence Inquiries =	<u>1,122</u>
<b>Total Increased Documentation for Processing:</b>	<b>17,827</b>

In order to process this increased documentation the Driver and Vehicle Services Bureau will require **one additional clerk typist II**. The requested Clerk Typist II position will be responsible for responding to correspondence inquiries, entering arrest and conviction data, reinstatement fees, proof of insurance (required for reinstatement), and alcohol education completion certificates into automated computer systems. **Oversight** assumes the additional clerk typist duties could be absorbed with existing resources.

General Counsel's Office

The General Counsel's Office assumes the same impact as the Driver and Vehicle Services Bureau (16.7% increase in arrests). The General Counsel's Office expects an increase in the number of hearings requested as a result in the lower blood alcohol threshold. The immediate impact is expected to be more significant as more individuals will challenge the legitimacy of lower alcohol threshold and whether or not an individual is impaired at the lower limit. This will require **three additional Legal Counsels and one additional Clerk Typist III** in order to process the additional administrative hearings that are associated with the increased number of arrests.

This FTE request is based on current administrative hearing volumes statewide. Nearly half of all hearings are held in the metropolitan areas of Kansas City and St. Louis. One additional Legal Counsel will be needed in each of these areas to absorb the additional hearings that will be requested. The remaining Legal counsel will be used out of the Jefferson City office and will be required to travel to many regions of the state to absorb additional hearing volumes statewide.

The requested Clerk Typist III will be responsible for docketing hearings, scheduling hearings, and preparing hearing documentation.

ASSUMPTIONS - continued

**Oversight** assumes that one General Counsel and one Clerk Typist II could handle the additional workload, consistent with DOR's response to a similar proposal in the prior session. The costs to DOR have been adjusted accordingly.

POSTAGE

The Driver and Vehicle Services Bureau will require additional postage funding as a result of an estimated 11,595 documents required to be mailed. This documentation includes notices of suspension/revocation, notices of reinstatement, and responses to correspondence inquiries.

Additional postage funding will also be required in order to facilitate the reprinting of Alcohol Influence Reports (form DOR-2389) and the Notice of Suspension/Revocation (form DOR-2385) which is given to the offender at the time of arrest.

The Driver and Vehicle Services Bureau will distribute 100,000 of each of these forms to law enforcement agencies throughout the state. Postage for this distribution of forms is estimated to be \$3,100. **Oversight** assumes DOR could absorb the cost of postage for the flyers, and has excluded such costs from the fiscal impact.

FY 02

11,595	Documents Requiring Postage
x <u>\$.33</u>	Postage Rate
<b>\$3,826</b>	<b>Postage for Additional Documents Created</b>
<u>/ 12</u>	
<b>\$318.83</b>	<b>Postage Cost Per Month</b>
x <u>10</u>	Number of Months in the 1 <sup>st</sup> Fiscal Year
<b>\$3,188</b>	<b>1<sup>st</sup> Fiscal Years Postage for Additional Documents</b>
<b>\$3,100</b>	<b>Postage Estimate for Forms Mailing (FY 02 only)</b>
<b><u>\$6,288</u></b>	<b><u>Total Postage FY02</u></b>

FY 03 & 04

11,595	Documents Requiring Postage
x <u>\$.33</u>	Postage Rate
<b>\$3,826</b>	<b>Postage for Additional Documents Created</b>

## ASSUMPTIONS - continued

### **FORMS**

The Driver and Vehicle Services Bureau will be required to modify two forms in order to identify the appropriate reduction in the blood alcohol content threshold and the increased penalties for driving while intoxicated. This will require reprinting of Alcohol Influence Reports (form DOR-2389) and the Notice of Suspension/Revocation (form DOR-2385) which is given to the offender at the time of arrest.

The Driver and Vehicle Services Bureau will distribute 100,000 of each of these forms to law enforcement agencies throughout the state. Costs for reprinting these forms are estimated to be \$6,000.

**Oversight** assumes DOR could absorb the cost of production of the forms, and has excluded such costs from the fiscal impact.

The State Data Center will have additional costs of \$2,000 for fiscal year 2002.

**Oversight** assumes DOR could absorb the State Data Center cost, and has excluded such costs from the fiscal impact.

### **REVENUE INCREASE**

Additional suspension and revocation actions will be imposed as a result of lower blood alcohol content threshold.

The Driver and Vehicle Services Bureau estimates 4,241 additional reinstatements annually. This estimate is based on statistics obtained from the Missouri Drivers License (MODL) System.

Fiscal Year 2002 estimates are based on only six months calculations for administrative alcohol and point accumulation suspensions. This is due to the requirement of a one month notice prior to enforcement of the suspension, a one month suspension period, and a two month period of restricted driving prior to reinstatement. In addition, the effective date of this legislation is assumed to be August 28, 2001 which reduces the total months in the fiscal year to ten months.

Administrative alcohol license revocations and point accumulation revocations are also not calculated in fiscal year 2001 as these actions are one year sanctions. The first revocations for these actions will not be eligible for reinstatement until August 28, 2002 under this assumption (FY 2003). Therefore, these reinstatements are calculated for ten months of FY 2003 and all of FY 2004.

ASSUMPTIONS - continued

**FY 02**

2,094	Administrative Alcohol Suspensions
<u>1,171</u>	Point Accumulation Suspensions
3,265	Total Suspension Reinstatements
3,265	Total Suspension Reinstatements
<u>/ 12</u>	Months per Year
272	Suspension Reinstatements per Month
<u>x 6</u>	Months of Eligible Reinstatement for Suspensions
1,632	Total Suspension Reinstatements for FY02
<u>+ 438</u>	Point Accumulation Revocations Reinstatements
<b>2,070</b>	<b>Additional Reinstatements for FY02</b>
<u>x \$45</u>	Reinstatement Fee
<b>\$93,150</b>	<b>Total Increased Reinstatement Fee Collection FY02</b>

**FY 03**

514	Administrative Alcohol Revocation Reinstatements
<u>+ 438</u>	Point Revocation Reinstatements
952	Total Revocation Reinstatements
<u>/ 12</u>	Months per year
79	Revocations per month
<u>x 10</u>	Months of Eligible Revocation reinstatements
790	Total Revocation Reinstatements for FY03
3,265	Total Suspension Reinstatements
<u>+ 790</u>	Total Revocation Reinstatements
4,055	Total Reinstatements for FY03
<u>x \$45</u>	Reinstatement Fee
<b>\$182,475</b>	<b>Total Increased Reinstatement Fee Collection for FY03</b>

**FY 04**

514	Total Administrative Alcohol Revocations Reinstatements Annually
3,265	Total Suspension Reinstatements
<u>+ 438</u>	Total Point Revocation Reinstatements
4,217	Total Reinstatements for FY04
<u>x \$45</u>	Reinstatement Fee
<b>\$189,765</b>	<b>Total Increased Reinstatement Fee Collection for FY04</b>

ASSUMPTIONS - continued

**FEE DISTRIBUTION**

**FY 02**

<b>\$69,863</b>	<b>Highway Fund</b>
<b>\$13,973</b>	<b>Cities</b>
<b>\$9,315</b>	<b>Counties</b>

**FY 03**

<b>\$136,856</b>	<b>Highway Fund</b>
<b>\$27,371</b>	<b>Cities</b>
<b>\$18,248</b>	<b>Counties</b>

**FY 04**

<b>\$142,324</b>	<b>Highway Fund</b>
<b>\$28,465</b>	<b>Cities</b>
<b>\$18,976</b>	<b>Counties</b>

Officials from the **Department of Transportation** assume no impact to their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>HIGHWAY FUNDS</b>			
<u>Income - Department of Revenue</u>			
Reinstatement fees	\$69,863	\$136,856	\$142,324
<u>Cost - Department of Revenue</u>			
Personal Service	(\$49,250)	(\$60,578)	(\$62,092)
Fringe Benefits	(\$16,415)	(\$20,190)	(\$20,695)
Expense and Equipment	<u>(\$10,780)</u>	<u>(\$1,063)</u>	<u>(\$1,095)</u>
Total cost	<u>(\$76,445)</u>	<u>(\$81,831)</u>	<u>(\$83,882)</u>
<b>ESTIMATED NET EFFECT ON HIGHWAY FUNDS</b>	<b><u>(\$6,582)</u></b>	<b><u>\$55,025</u></b>	<b><u>\$58,442</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
Cities			
<u>Revenue</u> - Reinstatement fees	\$13,973	\$27,371	\$28,465
Counties			
<u>Revenue</u> - Reinstatement fees	\$9,315	\$18,248	\$18,976
<u>Cost</u> - Increased jail population	(0 to unknown)	(0 to unknown)	(0 to unknown)
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENT</b>	<b><u>\$23,288 to</u> <u>(UNKNOWN)</u></b>	<b><u>\$45,619 to</u> <u>(UNKNOWN)</u></b>	<b><u>\$47,441 to</u> <u>(UNKNOWN)</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal lowers the blood alcohol content threshold for driving while intoxicated, driving with excessive blood alcohol content, and administrative alcohol actions to .08%.


This legislation is federally mandated, but would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Office of State Courts Administrator  
Department of Mental Health  
Missouri Highway Patrol  
Department of Transportation

NOT RESPONDING

Department of Corrections

  
Jeanne Jarrett, CPA  
Director  
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